

**STATE BOARD OF EQUALIZATION**  
**BEFORE THE ADMINISTRATIVE JUDGE**

IN RE:	Central Parking System	)	
	Map 093-06-3, Parcel 14.00	)	Davidson County
	Map 093-06-3, Parcel 15.00	)	
	Map 096-06-3, Parcel 16.00	)	
	Commercial Property	)	
	Tax Year 2005 & 2006	)	

**INITIAL DECISION AND ORDER**

**Statement of the Case**

The subject property is presently valued as follows, for both years:

**Parcel 14.00**

<u>LAND VALUE</u>	<u>IMPROVEMENT VALUE</u>	<u>TOTAL VALUE</u>	<u>ASSESSMENT</u>
\$831,700	\$13,600	\$845,300	\$338,120

**Parcel 15.00**

<u>LAND VALUE</u>	<u>IMPROVEMENT VALUE</u>	<u>TOTAL VALUE</u>	<u>ASSESSMENT</u>
\$677,300	\$11,100	\$688,400	\$275,360

**Parcel 16.00**

<u>LAND VALUE</u>	<u>IMPROVEMENT VALUE</u>	<u>TOTAL VALUE</u>	<u>ASSESSMENT</u>
\$498,000	\$8,100	\$506,100	\$202,440

Appeals have been filed on behalf of the properties owner with the State Board of Equalization on September 28, 2005 and September 27, 2006, respectively.

These matters were reviewed by the undersigned administrative law judge pursuant to Tennessee Code Annotated (T.C.A.) §§ 67-5-1412, 67-5-1501 and 67-5-1505. The hearings were conducted on November 7, 2006, at the Division of Property Assessment Office. Present at the hearing were Mr. M. Davis Gravely, the taxpayer's representative and Mr. Dennis Donovan, Division of Assessments for the Metro. Property Assessor.

**FINDINGS OF FACT AND CONCLUSIONS OF LAW**

Subject properties consists of commercial tracts (parking facilities) located at 119 7<sup>th</sup> Ave. N. in Nashville, Tennessee for Parcel 14.00, 121 7<sup>th</sup> Ave. N. in Nashville, Tennessee for Parcel 15.00 and 125 7<sup>th</sup> Ave. N. in Nashville, Tennessee for Parcel 16.00.

The taxpayer's representative, contends that the properties are worth \$1,620,000 on the appeal forms based on his computations using the income approach, these are contiguous parcels.

The county representative testified and presented proof that the fair market value is \$1,800,000 based upon his computations using the income approach to market value. This is a collective value for all three parcels for both years; Parcel 14.00 represents 41.44% or a value of \$745,900, Parcel 15.00 represents 33.35% or a value of \$600,300 and Parcel 16.00 represents 24.81% of the value or \$446,600.

The administrative judge finds that the subject properties should be valued at \$1,800,000. The germane issues are the value of the properties as of January 1, 2005 and January 1, 2006. The basis of valuation as stated in T.C.A. § 67-5-601(a) is that "[t]he value of all property shall be ascertained from the evidence of its sound, intrinsic and immediate value, for purposes of sale between a willing seller and a willing buyer without consideration of speculative values . . . ."

Since the taxpayer is appealing from the determination of the Davidson County Board of Equalization, the burden of proof is on the taxpayer. See State Board of Equalization Rule 0600-1-.11(1) and *Big Fork Mining Company v. Tennessee Water Control Board*, 620 S.W. 2d 515 (Tenn. App. 1981).

In this type of an appeal the petitioner must show by a preponderance of the evidence that an allegation is true or that the issue should be resolved in favor of that party. Uniform Rules of Procedure for Hearing Contested Cases. Rule 1360-4-1-.02 (7).

In appraising real estate for market value, there are three (3) approaches to value. The cost approach, the sales comparison approach and the income capitalization approach. These properties are income producing and therefore the most appropriate approach would be to use the income approach with an appropriate income capitalization rate. Through the presentation of appropriate competent evidence using the income approach to the subject business entities the county has shown that the values should be changed to reflect that proof.

With respect to the issue of market value, the administrative judge finds that Mr. Gravely did not introduce sufficient evidence to affirmatively establish the market value of subject property as of January 1, 2005, and January 1, 2006, the relevant assessment dates pursuant to Tenn. Code Ann. § 67-5-504(a).

#### ORDER

It is therefore ORDERED that the following values and assessments be adopted for tax years 2005 & 2006:

##### Parcel 14.00

<u>LAND VALUE</u>	<u>IMPROVEMENT VALUE</u>	<u>TOTAL VALUE</u>	<u>ASSESSMENT</u>
\$ 732,300	\$13,600	\$745,900	\$298,400

##### Parcel 15.00

<u>LAND VALUE</u>	<u>IMPROVEMENT VALUE</u>	<u>TOTAL VALUE</u>	<u>ASSESSMENT</u>
\$ 589,200	\$11,100	\$600,300	\$ 240,120

##### Parcel 16.00

<u>LAND VALUE</u>	<u>IMPROVEMENT VALUE</u>	<u>TOTAL VALUE</u>	<u>ASSESSMENT</u>
\$ 438,500	\$8,100	\$446,600	\$126,500

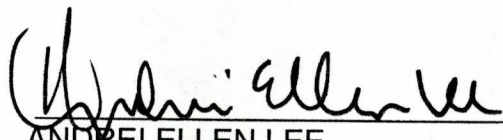
It is FURTHER ORDERED that any applicable hearing costs be assessed pursuant to Tenn. Code Ann. § 67-5-1501(d) and State Board of Equalization Rule 0600-1-.17.

Pursuant to the Uniform Administrative Procedures Act, Tenn. Code Ann. §§ 4-5-301—325, Tenn. Code Ann. § 67-5-1501, and the Rules of Contested Case Procedure of the State Board of Equalization, the parties are advised of the following remedies:

1. A party may appeal this decision and order to the Assessment Appeals Commission pursuant to Tenn. Code Ann. § 67-5-1501 and Rule 0600-1-.12 of the Contested Case Procedures of the State Board of Equalization. Tennessee Code Annotated § 67-5-1501(c) provides that an appeal **“must be filed within thirty (30) days from the date the initial decision is sent.”** Rule 0600-1-.12 of the Contested Case Procedures of the State Board of Equalization provides that the appeal be filed with the Executive Secretary of the State Board and that the appeal **“identify the allegedly erroneous finding(s) of fact and/or conclusion(s) of law in the initial order”**; or
2. A party may petition for reconsideration of this decision and order pursuant to Tenn. Code Ann. § 4-5-317 within fifteen (15) days of the entry of the order. The petition for reconsideration must state the specific grounds upon which relief is requested. The filing of a petition for reconsideration is not a prerequisite for seeking administrative or judicial review; or
3. A party may petition for a stay of effectiveness of this decision and order pursuant to Tenn. Code Ann. § 4-5-316 within seven (7) days of the entry of the order.

This order does not become final until an official certificate is issued by the Assessment Appeals Commission. Official certificates are normally issued seventy-five (75) days after the entry of the initial decision and order if no party has appealed.

ENTERED this 31st day of January, 2007.

  
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ANDREI ELLEN LEE  
ADMINISTRATIVE JUDGE  
TENNESSEE DEPARTMENT OF STATE  
ADMINISTRATIVE PROCEDURES DIVISION

c: Mr. M. Davis Gravely  
Jo Ann North, Assessor of Property